(b) whether the State Government of Andhra Pradesh had deputed a team to New Delhi to discuss this issue with the Department of Economic Affairs; and

(c) if so, the details of the discussion and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. The Government of Andhra Pradesh has submitted a project proposal seeking World Bank assistance for "Andhra Pradesh Water Sector Improvement Project" at an estimated cost of about Rs.3000 crores to be implemented in a period of 5-6 years.

(b) and (c) Officials of Government of Andhra Pradesh are in interaction with Ministry of Finance. It has been conveyed to the Government of Andhra Pradesh that before the proposal is considered for World Bank assistance, the following conditions need to be addressed by the State Government:

- State Government undertakes to stand committed to the targets of fiscal correction path *(i.e.* to eliminated deficit and reduce fiscal deficit to 3% of GSDP by the end of 2008-09), and
- Substitute an agreed source of borrowings within the borrowing ceiling fixed for the State.

Banks authorised for Disbursement of Pensions

†1529: SHRI RUDRA NARAYAN PANY: Will the Minister of FINANCE be pleased to state:

(a) the banks authorized for the disbursement of Provident Fund (P.F.) and pensions of retired employess;

(b) whether the payment of P.F. and pension has been stopped with regard to those employees who are not having account in these banks;

(c) whether there is any proposal to authorize all the Nationalised Banks for the disbursement of P.F. and pensions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Provident Fund (P.F.) is disbursed by the employers to their employees on their retirement through their authorized banks. As regards pension, various public sector/private sector banks are

†Original notice of the question was received in Hindi.

authorized by Central Civil and Non-Civil Ministers for disbursement of pension in each State and Union Territory.

(b) RBI monitors the schemes for disbursement of pension to Central Civil/Defence/Railway/ Telecom pensioners through Public/Private Sector Banks as approved by concerned Government Departments. According to these schemes, the amount of monthly pension, including family pension is to be credited by the paying branch of authorized bank selected by the pensioner to his or her account already opened or to be opened with that branch.

(c) and (d) The names of banks through which the pension amount is to be disbursed are decided by the Central Pension According Office (CPAO) in case of Civil Ministries and individually by the Non-civil Ministries. All Public sector banks and three Private sector banks are authorized to disburse pension. RBI issues authorizations on the recommendations of the concerned Ministry.

Varsha Bima Yojana

1530. SHRI C.RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) the main features of the 'Varsha Bima Yojana' being run by Government;

(b) whether only the farmers of such areas can be benefited from this scheme which have the facilities to collect the rain related statistics;

(c) if so, the States where the farmers have been deprived of the benefits of this scheme because of the non-availability of rain related statistics, particularly in the State of Andhra Pradesh; and

(d) what steps Government propose to take so that all the farmers of those selected States may benefit from the said scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Agriculture Insurance Company of India Limited (AICL) has launched, during the Kharif-2005, a rainfall based insurance product, namely "Varsha Bima-2005" in 130 districts spread over the 10 States *viz.*, Andhra Pradesh, Chhattishgarh, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Orissa, Tamil Nadu, Uttaranchal & Uttar Pradesh. It was voluntary for all classes of farmers. The Scheme provides two options-(i)Sowing Failure Insurance covering deficit rainfall from 15th June to 15th August and (ii) Seasonal Rainfall Insurance covering rainfall